




Commonwealth of Massachusetts
Executive Office of Health and Human Services
Division of Medical Assistance
600 Washington Street
Boston, MA 02111
www.mass.gov/dma

Eligibility Operations Memo 02-11
July 1, 2002

TO: MassHealth Eligibility Operations Staff

FROM: Russ Kulp, Assistant Commissioner, Member Services 

RE: **Patient-Paid Amount (PPA) Adjustments for Non-Covered Medically Necessary Medical or Remedial-Care Services (Procedure Reminders and New Tracking Requirements)**

Introduction

Due to the Commonwealth's current fiscal constraints, the Division found it necessary to restructure its dental program and to modify its dental regulations accordingly. The revised dental program regulations affect all MassHealth adults aged 21 and older. Effective March 15, 2002, MassHealth eliminated coverage for certain adult dental services, unless the member is designated "Special Circumstances" (SC), in accordance with the dental regulations at 130 CMR 420.410(D). Because of these changes, the Division has received several inquiries from nursing facilities, including requests for adjustment to the patient-paid amount (PPA) for members in LTC facilities who incur dental expenses for non-covered services.

The purpose of this memo is to clarify and restate the Division's existing procedures for reduction of the PPA to pay for non-covered medical and remedial-care expenses. This memo will also introduce new tracking requirements for all PPA medical and remedial-care expense deductions.

This memo does not address guardianship fee expense deductions from the PPA.

**Prospective
Reduction to
the PPA**

The Division's current regulations at 130 CMR 520.026(E) specify that a deduction for a member's incurred medical or remedial-care expenses may be used in determining the LTC member's PPA. These expenses must be for services not payable by a third party and not covered by MassHealth – in the case of dental expenses, either because the service is a non-covered service for any adult, or because the service is covered by MassHealth only for members designated as SC and the member does not qualify for SC designation. Additionally, these expenses must be:

**Prospective
Reduction to
the PPA
(cont.)**

- not covered by the MassHealth per diem rate (PDR) paid to the LTC facility, and
- certified by a treating physician or other medical provider as being medically necessary.

Effective March 15, 2002, the member's adult dental expenses for services that are no longer covered by MassHealth may be allowed as a deduction from the LTC member's PPA. The reduction to the PPA is made **prospectively**.

Please note: The deduction is allowed only from the member's PPA. It is impermissible for LTC facilities to deduct non-covered dental expenses from a member's personal needs allowance.

**When the
Dental Expense
Incurred Is
Greater Than
The PPA**

If the amount of the incurred dental expense is more than the member's PPA, the PPA may be reduced for subsequent consecutive months until the expense incurred is satisfied. The member's PPA must be reduced by the maximum monthly computable amount before applying any remaining deduction to the subsequent month's PPA.

If the member's PPA is already zero, there is no PPA dental expense deduction.

**Rules for
Accepting
Incurred Adult
Dental Expenses**

For consideration in determining the PPA, these adult dental expenses:

- must not be covered by MassHealth (if a member is designated as SC, the member is eligible for certain dental services not otherwise covered for members aged 21 and older);
 - must not be payable by any other health insurance or other liable third party coverage;
 - must be those of the member and not incurred for adult dental services rendered prior to March 15, 2002 that were covered by MassHealth prior to March 15, 2002;
 - must not have been used to become eligible for MassHealth under 130 CMR 520.004 (asset reduction) or 520.032 (income deductible); and
 - must be submitted to the MassHealth Enrollment Center (MEC), on a **legible** unpaid bill, or a paid receipt, from the dental provider for the service. Paid bills may be used to adjust the PPA only if paid by the member. Documentation must include:
 - ◆ name and address of the MassHealth member;
 - ◆ name and address of the dental provider;
 - ◆ description (name) of the service provided;
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**Rules for
Accepting
Incurred Adult
Dental Expenses
(cont.)**

- ◆ cost of the service provided; and
- ◆ date the service was provided to the member.

The LTC facility, by accepting the temporarily adjusted PPA and the resulting increased DMA payment toward the cost of the member's care in the LTC facility, attests that:

- the medically necessary service is not covered by the LTC facility's PDR, and
 - the service is not covered by MassHealth, and the dental provider has indicated that all other avenues of payment for the service have been exhausted, including:
 - ◆ the dental provider made a clinical determination that the member may meet the criteria for SC designation, but the provider's request to the Division for SC designation was denied by the Division; or
 - ◆ the dental provider made a clinical determination that the member would not qualify for SC designation; and
 - ◆ the member has no available insurance coverage or other liable third party coverage for the service.
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**PPA Reduction
Tracking for
Incurred Medical
And Remedial-
Care Expenses**

Effective immediately, Central Office will be tracking all PPA reductions for non-covered medical and remedial-care services, including, but not limited to, non-covered dental services. MECs must retain a copy of the bill or paid receipt for the member's file. MECs must batch them and **mail** complete and legible photocopies on a weekly basis to:

Division of Medical Assistance
Benefit Services, Dental Unit
600 Washington Street
Boston, MA 02111

PACES Coding

Use the same process to reduce the PPA for incurred non-covered adult dental expenses as is currently used to allow necessary medical and remedial-care expenses on the FIW1 screen on PACES.

- In the Medical Deduction field, enter the total amount of the expenses up to 6 digits, including cents, even if the cent amount is zero, and enter code 6.
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**PACES Coding
(cont.)**

- In the Change Date field, enter the prospective start date for the deduction.
 - If the deduction is only for one month, to delete the amount and resume the previous PPA, remember to go back on “day two” to zero out the amount in the Medical Deduction field, enter code 0 (zero), and, in the Change Date field, enter the first day of the month following the month in which the PPA reduction was allowed.
 - If the deduction is recurring, use a tickler file as a reminder:
 - ◆ to change the amount of the dental expense deduction (Medical Deduction field) and the date (Change Date field) if the PPA monthly deductions are not the same, and
 - ◆ to delete the dental expense deduction (as explained above) when the deduction is no longer needed.
 - Reminders:
 - ◆ Because PACES uses these fields for multiple purposes, always check data fields on file prior to entering new data.
 - ◆ Check MMIS to review the accuracy of all PPA transactions.
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**Related
Documents
on the Web**

The following documents are related notices that have been sent to members and providers:

- Member notice: Important Notice for MassHealth Members About Changes in Adult Dental Benefits (DMN-0202), issued in February, 2002
(www.mass.gov/dma/whatsnew/dental-membnotice.pdf)
 - Provider notice: Transmittal Letter DEN-59: Provider Manual (Revisions to the MassHealth Dental Program), issued in March, 2002
(www.mass.gov/dma/providers/dental/TL_dental.pdf)
 - Provider notice: Dental Bulletin 26: Important Information About Special Circumstances and Dental Group Practices, issued in March, 2002
(www.mass.gov/dma/providers/bulletins/bull_2002_pdf/DEN-26.pdf)
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Questions

For questions concerning this memo, please contact the MassHealth Policy Hotline through your Enrollment Center designee.
